What Peak Oil Means to Every American

Declaring energy independence

Tom Udall-Opinion/Editorial; Writers on the Range; January 2006

In 1970, oil production within the United States peaked -- reached its maximum production rate -- at not much more than 10 million barrels of oil per day. That means since 1970, oil production in this country has been declining, and we now import 58 percent of the oil we use. The sheer scale of the American appetite for petroleum is difficult to grasp: Per capita, each of us consumes about 20 pounds of petroleum products each day.

With demand rising and production that we can control falling, our dependence on imported oil has become an economic, diplomatic and security nightmare. We now send $25 million an hour abroad to pay for foreign oil, and some of that money is diverted to the same jihadi terrorists we are spending additional billions to fight. For these and other reasons, Rep. Roscoe Bartlett (R-Md.) and I founded the Congressional Peak Oil Caucus in October 2005.

A crisis looms if we do not begin preparing for the day when world oil production peaks. And that day is coming, most likely within four to eight years. Peak oil is a fact, not a theory, and the logic is simple. World oil production has been increasing for more than 140 years. But you have to discover oil before you can produce it. Global discoveries peaked 40 years ago, so the production peak will necessarily follow. Oil production in 33 of the 48 largest oil-producing nations in the world has already peaked.

The world now consumes 84 million barrels of oil per day, and it is true that there will be enough oil produced this year and the next to meet global demand. But thereafter, depletion is likely to gain the upper hand as global production flattens and begins to decline.

Peak oil does not mean we are running out of oil. Indeed, at peak, society will recover and refine more oil than ever before. But once oil production begins to decline, prices are likely to rise sharply, with some mainstream experts predicting a doubling or tripling by 2015. What we are running out of is cheap oil -- the $20 per barrel oil around which we have designed our automobiles, our subdivisions, the American way of life. Cheap oil, in conjunction with Yankee ingenuity and the entrepreneurial spirit, has been the wellspring for our current prosperity.

When world oil production peaks at 88 or 90 or 94 million barrels a day, we will move from the era of cheap oil to an era of more expensive oil. An economy based on the availability of oil, as we've known it, will no longer make sense. Looking ahead, we need 10 to 15 years to develop and implement a new energy policy before the shock of peak oil arrives.

Oil provides 40 percent of the world's energy, and some people argue that market forces will make alternative fuels more competitive. This is wishful thinking. None of the currently available alternative sources of liquid fuels is anywhere near ready to replace oil in the volumes we use it today. Happy talk about hydrogen and other mythical elixirs will not save the day. Solar, wind, and biofuels all have significant potential but still represent far less than 10 percent of our current energy portfolio in the United States.

So what do we do? A few years ago, Vice President Cheney said, "Conservation may be a sign of personal virtue, but it is not a sufficient basis for a sound, comprehensive energy policy." He could not be more wrong. Our future prosperity now depends on a rapid increase in energy conservation. Conserving energy is patriotic; indeed, it's one of the most patriotic things any of us can do.

The storm is gathering. There's a lot of work to do and not much time to do it. We've got to replace 200 million vehicles with far more efficient ones. If we are smart about this, we can rebuild Detroit, now rapidly going broke, in the process. We've got to own up to the fact that transporting goods and people by rail is at least five times more efficient than cars and trucks. Therefore, we must revive and reinvest in our passenger and freight rail systems. We must accelerate our deployment

of wind and solar power, while launching a massive, long-term investment in advanced energy research.

President Kennedy challenged the nation to reach the moon in less than a decade, and we did. If we are serious about defending the nation and preserving our prosperity, energy security and energy conservation must be our new watchwords, our new space program.